



August 5, 2014

Baffinland Iron Mines Corporation
2275 Upper Middle Road East
Oakville, ON
Canada L6H 0C3

Re: Follow-up to April and June 2014 Inspections Mary River Project – Water Licence
No. 2AM-MRY1325

Dear Mr Millard:

AANDC recognizes that Baffinland has met the required work to be completed by August 1, 2014 as part of the Historic Ash Disposal Management Plan submitted on July 4, 2014. Specifically, Baffinland was to conduct a sorting exercise of the ash at the Milne Port and construct temporary field design berms at the Mine Site and Milne Port to hold this material. On-site verification will be conducted at the next scheduled inspection.

Please continue to update an AANDC inspector as future deliverables become due as detailed in your Plans.

Sincerely,

Justin Hack
Water Resource Officer
Aboriginal Affairs and Northern Development Canada

cc. Erik Allain, AANDC
Robert Savard, AANDC
Phyllis Beaulieu, Nunavut Water Board